



South Central Idaho News

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA & TWIN FALLS COUNTIES

ECONOMIC TRENDS

The seasonally adjusted unemployment rate for February was 2.9 percent for the Twin Falls-Jerome Micropolitan Statistical Area. This was one-tenth of a percentage point higher than January but nine-tenths of a percentage point lower than February 2005. The civilian labor force increased from 46,800 in February 2005 to 55,010 in February 2006, up 17.5 percent. This is the second straight month the unemployment rate was lower than 3 percent in the Twin Falls-Jerome area.

Nonfarm payroll jobs increased by 13.3 percent, or 4,970, year-over-year. Once again, the construction sector showed the largest gain at 61.1 percent. New housing starts in the city of Twin Falls continued at a torrid pace, setting a record at 95 in March. Heavy road construction remained strong with the Pole Line Road corridor widening project and ground breaking for the new Church of Jesus Christ of Latter-day Saints temple. This 1½-year project will create 200 to 300 new construction jobs. However, Twin Falls is not the only city with construction increases. Jerome, Shoshone in Lincoln County and potentially Fairfield in Camas County appear to have strong housing development on the horizon. Construction shows no sign of slowing down, but it is doubtful that high double-digit increases in this sector can be maintained as jobs begin to reach equilibrium and workers become somewhat harder to find.

The winter tourism season has been magnificent for the Sun Valley area as well as other ski areas in the region. Very heavy snows everywhere made it a long ski season. Sun Valley remained open past mid-April, and all ski areas exceeded 2005 totals. In

South Central Idaho Table 1: Twin Falls-Jerome MicSA Labor Force & Employment—Twin Falls and Jerome counties

	Feb 2006*	Jan 2006	Feb 2005	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	55,010	54,430	46,800	1.1	17.5
Unemployment	1,590	1,530	1,800	3.9	-11.7
% of Labor Force Unemployed	2.9	2.8	3.8		
Total Employment	53,420	52,900	45,000	1.0	18.7
Unadjusted					
Civilian Labor Force	54,170	53,350	46,260	1.5	17.1
Unemployment	1,970	1,960	2,220	0.5	-11.3
% of Labor Force Unemployed	3.6	3.7	4.8		
Total Employment	52,200	51,390	44,040	1.6	18.5
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	42,390	42,120	37,420	0.6	13.3
Goods-Providing Industries	9,170	8,880	6,620	3.3	38.5
Natural Resources & Mining	30	30	30	0.0	0.0
Construction	3,690	3,400	2,290	8.5	61.1
Manufacturing	5,450	5,450	4,300	0.0	26.7
Food Manufacturing	3,710	3,710	2,710	0.0	36.9
Other Manufacturing	1,740	1,740	1,590	0.0	9.4
Service-Providing Industries	33,220	33,240	30,800	-0.1	7.9
Trade, Transportation & Utilities	10,450	10,500	9,220	-0.5	13.3
Wholesale Trade	1,590	1,600	1,610	-0.6	-1.2
Retail Trade	6,380	6,400	5,340	-0.3	19.5
Utilities	190	190	170	0.0	11.8
Transportation & Warehousing	2,290	2,310	2,100	-0.9	9.0
Information	630	650	600	-3.1	5.0
Financial Activities	1,860	1,840	1,760	1.1	5.7
Professional & Business Services	5,360	5,350	5,170	0.2	3.7
Educational & Health Services	3,120	3,120	2,900	0.0	7.6
Leisure & Hospitality	3,200	3,180	2,880	0.6	11.1
Other Services	1,440	1,440	1,310	0.0	9.9
Government Education	3,390	3,390	3,210	0.0	5.6
Government Administration	3,770	3,770	3,750	0.0	0.5

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Sun Valley, lodging capacity rates were in the mid-90 percent range this past winter ski season compared to the mid-80 percent levels a season earlier. Revenues have been strong in related service and retail areas.

Agriculture is always affected by the weather, and this year has been no exception. After suffering at least six years of severe drought, snow and moisture levels have been beyond most people's hopes this winter and spring with all snow pack areas in south central Idaho at 120 percent of normal or higher. But persisting rains may be turning it into "too much of a good thing." The good news is that there should be more than adequate water for all crop rotations in virtually every county in south central Idaho. In years past, some surface water irrigators have had to choose crops with shorter growing seasons such as hay,

corn and grains. Crops taking longer to mature such as sugar beets, potatoes and dry beans were problematic. But growers should have no problem in that area. The twist is that the area keeps getting heavy spring snow and rain storms that are keeping many farmers from planting. This could become a very serious problem if farmers remain unable to get into the fields. The margin for error is shrinking, eventually eliminating the chance to replant following frost, wind or other possible crop-damaging spring weather. That would leave farmers with substandard crops. Finally, one year of an abundant snow fall does not erase the lowering levels in the Eastern Snake River Plain Aquifer. Although ground moisture helps considerably, declining water levels can only be reversed through continued years of good moisture and good stewardship of groundwater. However, if the weather improves, the excellent ground moisture and adequate water levels could produce tremendous crops, and the better reservoir levels and lower fire danger could produce excellent recreational opportunities and a good summer tourism season.

AREA DEVELOPMENTS

Twin Falls County

- Ground was broken for the new temple for the Church of Jesus Christ of Latter-day Saints in Twin Falls on April 15. Church and civic leaders participated in the ceremony for the temple and stake center that should open in September 2007. About a thousand church members attended the invitation-only event. The 29,679-square-foot temple will be built on 4.9 acres in north Twin Falls. At 159.5 feet high, the temple will be the highest building in Twin Falls. It is expected to serve about 42,000 people in south central Idaho. At least 200 to 300 new construction jobs will be created.
- A plaster company with a patent on an Old World technique is moving into the Coca Cola buildings in Old Towne Twin Falls. Jacob Cavelli, owner of the Cavelli Corp., is leasing the two buildings from the Twin Falls Department of Urban Renewal. The buildings are a combined 20,702 square feet, and Cavelli will use the warehouses to produce and distribute Infinito, a decorative plaster that gives modern buildings a soft, aged look. He will also use the space for an office and a school to train people who want to learn how to use his product. Cavelli said that the Infinito product has the ability to blend up to eight colors at a time and has the additional benefit of a blending time as long as eight hours as compared to other plasters

that dry in 30 minutes. Infinito is easier to use and can save a contractor money by saving labor time.

Blaine, Camas, Gooding, Jerome and Lincoln counties

- The Idaho Legislature passed a two-year moratorium on building and permitting coal-fired electric generating plants. Several south central Idaho legislators, notably Sen. Clint Stennett of Ketchum, House Speaker Bruce Newcomb of Burley and Rep. Sharon Block of Twin Falls, worked aggressively to pass the legislation that calls for a special legislative committee to study the effects of various energy alternatives over the next two years and develop an energy plan. As a result, Idaho Valley Energy, a subsidiary of California-based Sempra Inc., withdrew its plans to build a 600-megawatt coal-fired generator in rural northern Jerome County. Sempra was planning a huge construction project that would have taken approximately five years to complete.
- Idaho Gov. Dirk Kempthorne declared flood disaster emergencies for Camas and Lincoln counties as Magic Reservoir spilled over in mid-April, causing flooding in the Big and Little Wood rivers. The Big Wood River has been particularly high and flooded in the Gooding area. A heavy snow pack and heavy early springs storms have brought many reservoirs everywhere in the Magic Valley to capacity and beyond. Residents in Gooding organized sandbagging efforts to protect public and private property.

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